



QAP  
att: Chad Benson

**RECEIVED**

MAY 10 2007

MSHDA-Legal

May 4, 2007

Ms. Mary Levine  
General Counsel/Director of  
Legal Affairs  
MSHDA  
735 East Michigan Avenue  
P.O. Box 30044  
Lansing, Michigan 48912

RE: QAP Comments

Dear Mary:

It's about time the Authority had it own set aside of tax credits. Much of the rental housing heretofore produced under the current program is low income housing in name only.

What we have in many areas of Michigan today is a glut of rental housing which is, for the most part unaffordable to those most in need. Without its own set aside, the Authority is limited in fully addressing that need.

My suggestion is that the Authority set aside include at least 25% of the total annual allocation to the State. Combined with HOME funds and other soft loans, the Authority should be able to annually create at least 2,000 additional units of rental housing affordable to those households below 40% of Statewide median income. This can be achieved if done in conjunction with refinancing existing tax credit projects which are at or near the expiration of the 15 year compliance period.

To generate income, tax credits under the set aside should be used with Authority financing whenever feasible.

Thank you for receiving my comments.

Yours very truly,

  
Joseph H. Hollander